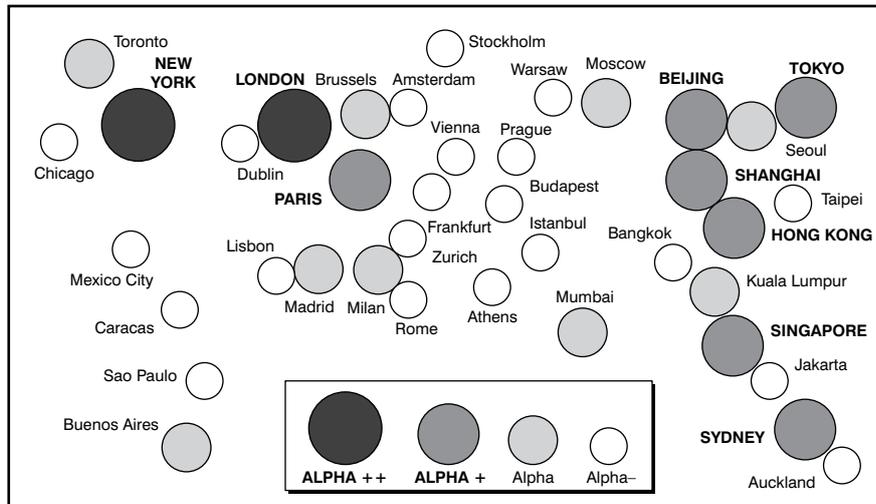


## BEIJING: A GLOBAL CITY

### Beijing and the Global City Network

A global city is one which is judged to be an important nodal point in the global economic system. The term 'global city' was first introduced by Saskia Sassen in her book *The Global City*, published in 1991. Initially referring to New York, London and Tokyo, Sassen described global cities as ones that play a major role in global affairs in terms of politics, economics and culture. The number of global cities has increased significantly in recent decades as the process of globalisation has deepened, and Beijing has undoubtedly become a member of this important grouping.

Figure 1: Alpha global cities



Source: GaWC 2008

The Globalisation and World Cities [GaWC] Research Network at Loughborough University has identified various levels of global city. Figure 1 shows what are termed the 'Alpha' cities in 2008 which are subdivided into four categories. Beijing is in the Alpha+ category, along with Shanghai, Hong Kong and Tokyo in the East Asia geographical region. The remaining cities in this category are Paris, Singapore and Sydney. Only New York and London are placed in the higher Alpha++ category under this classification. The GaWC analysis also recognises four lower levels of urban area around the world. The results are based upon the office networks of 175 advanced producer service firms in 526 cities in 2008.

Figure 2: The location of Beijing in East Asia



Source: Based on www.worldatlas.com

In 2008, the American journal *Foreign Policy* published its 'Global Cities Index'. The rankings are based on 24 measures over five areas:

- business activity
- human capital
- information exchange
- cultural experience
- political engagement.

*Foreign Policy* noted that, 'the world's biggest, most interconnected cities help set global agendas, weather transnational dangers, and serve as the hubs of global integration. They are the engines of growth for their countries and the gateways to the resources of their regions.' Under this analysis Beijing was placed 12th,

with Shanghai, China's largest city, in 20th place. Although its ranking may vary, Beijing figures prominently in all global urban classifications. Its global league position has invariably risen over the years, with further ascendancy virtually guaranteed as China chases the USA for the accolade of being the world's largest economy.

### Beijing: location and growth

Beijing (Figure 2), situated at the northern tip of the North China Plain, is the capital city of the People's Republic of China. Its latitude, similar to Madrid and Philadelphia, is 39° 6' N. Its longitude is 116° 23' E. The city is at an altitude of 43.5m above sea level. The climate in Beijing is of the continental type, with cold, dry winters and hot summers. January is the coldest month (-4°C), July the warmest (26°C).

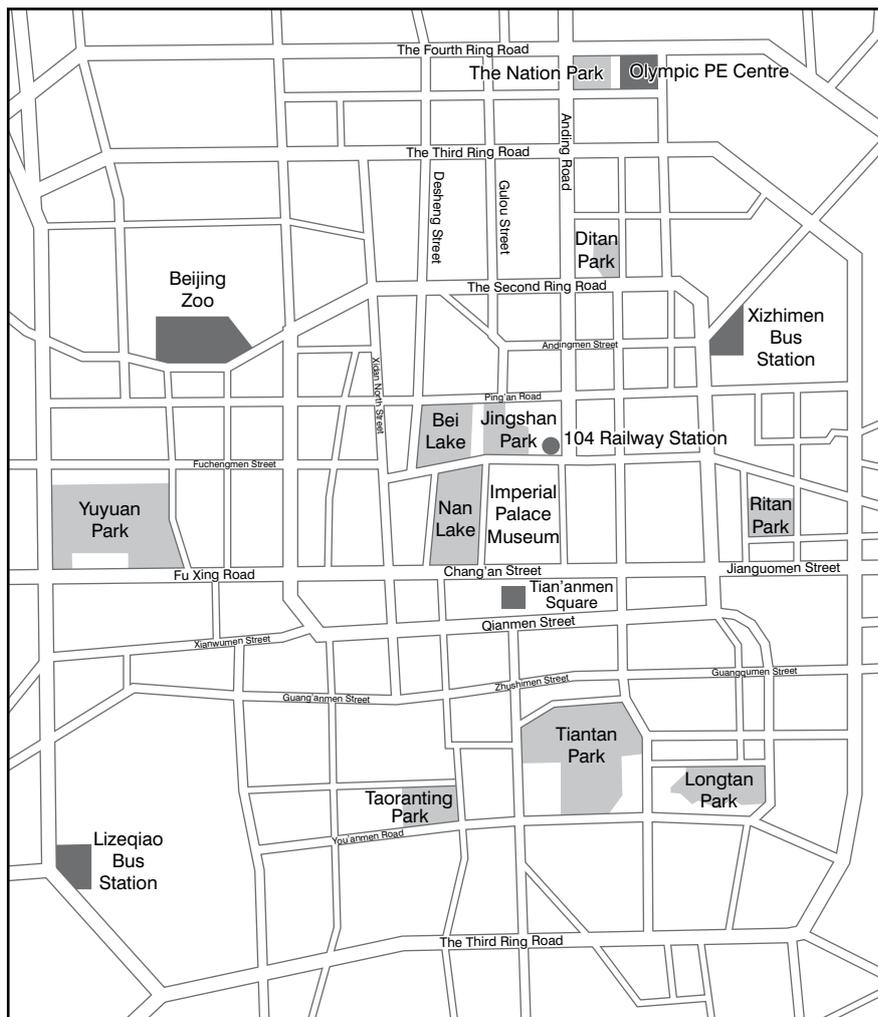
The city has been an urban centre for 3,000 years and the country's capital for more than 850 years. Before 1949, Beijing was known as Peking by the Western world. Many important World Heritage sites are in Beijing.

The city is surrounded by the Yanshan Mountains to the west, north and east, with the small alluvial plain of the Yongding River to its south-east. In this location the city faces the Bohai Sea, also known as Beijing Bay. Here the port city of Tianjin is 140km away from Beijing. The two cities are linked by the Beijing-Tianjin Intercity Railway, a high-speed line that came into service in August 2008. With a top speed of 205 mph it boasts the fastest conventional trains in the world.

Greater Beijing covers a land area of 16,808 sq km. It extends approximately 160km from east to west, and 180 km from north to south. It has grown rapidly over the last half century, due primarily to high rural-urban migration; China's one-child policy, in operation since 1979, has considerably reduced the rate of natural increase.

With a population of 17 million in its area of jurisdiction it is the country's second largest city after Shanghai. The city is divided into 16 urban and suburban districts and two rural counties. The city's urban area has about 13 million residents. This compares to a recent estimate of 7.7 million for London.

Figure 3: Central Beijing



### Political importance

As the Chinese economy continues to expand, Beijing as the seat of Chinese government will become increasingly important in the future. All of China's internal affairs and foreign policy are controlled from Beijing. The 2009 World Population Data Sheet estimates China's population at 1,331.4 million. This is 19.6% of the world's total population. Thus, about one in every five people on earth is Chinese. This huge population is having an immense impact on the rest of the world.

As China's economic strength has increased, the political position of China has become more and more important. The foreign embassies of other countries are all located in Beijing and play an important role in discussions with China over trade and a wide range of other matters. More than 160 countries have an embassy in Beijing. A significant number of people work in the embassies, and other international organisations making up the

'diplomatic community' in Beijing. For example, the British embassy in Beijing represents the UK's interests in China. If disagreements between the two countries arise, the embassy is the first port of call to try to broker a diplomatic solution.

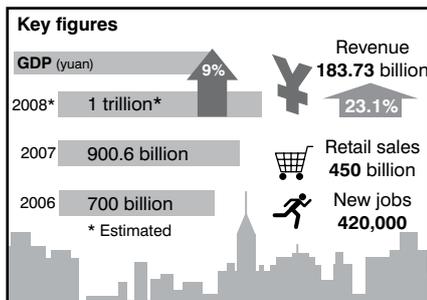
Tiananmen Square is seen as the physical and spiritual heart of the city (Figure 3). With an area of 400,000 square metres it is claimed to be the largest public space in the world. It was laid out in 1949 to demonstrate the political transformation of China from a feudal to a communist society. The focal point of Tiananmen Square is the Monument to the People's Heroes, a 30m-high obelisk commemorating the victims of the revolutionary struggle (Figure 4). Bas-reliefs around it show important scenes from China's revolutionary history. For many Chinese it is virtually a place of pilgrimage, and for foreign tourists it is usually the number one location on their itineraries. Large numbers of people queue to see the corpse of Chairman Mao Zedong in his mausoleum.

Figure 4: Monument to the People's Heroes, Tiananmen Square



Source: Paul Guinness

Figure 5: Growth in Beijing's GDP



Source: Beijing Statistics Bureau

Other sites of great political and cultural importance are nearby, including major government buildings, the large Museums of History and the Revolution, the Forbidden City and the Temple of Heaven. The Great Hall of the People occupies almost half the west side of the square. This is the building of the National People's Congress, which is the Chinese legislature. The Forbidden City, or Imperial Palace to give its correct title, reflects China's imperial past. For five centuries, through the reigns of twenty-four emperors of the Ming and Qing dynasties, civilian Chinese were forbidden from even approaching the walls of this huge area of the city. This intriguing complex contains 800 buildings. The Forbidden City draws large numbers of tourists every day.

### The Beijing Olympic Games

When the International Olympic Committee (IOC) selected Beijing as the location for the 2008 Olympic Games, it was not just a major boost

for Chinese sport, but a massively important political and cultural event for China. Hosting the Olympic Games was seen as a significant seal of international approval which the Chinese government and people were eager to receive. With global television coverage, not just during the Games themselves, but also in the important build-up period, China used the Games to showcase its many cultural and economic merits.

Building for the Olympic Games involved Beijing spending a lot of its planned investment ahead of schedule. It also did much to stimulate the economy of the wider region. In 2008 the chairman of the International Olympic Committee Marketing Commission stated that the Olympic Games would help Beijing become a world-class city and reduce foreigners' misconceptions about China. An important part of this process was the rapid upgrading of infrastructure in a very short time period to satisfy the timetable agreed with the International Olympic Committee.

### The economy

The 21st century is already being talked about as 'China's century'. The Chinese economy has now reached such a size and is continuing to grow so rapidly that it is now being called the 'new workshop of the world'. 'Workshop of the world' was a phrase first applied to Britain during the height of its industrial revolution in the 19th century. The business magazine *Fortune* recently quoted CLSA Asia economist Jim Walker as saying of China, 'We're at the early stages of one of the greatest industrial revolutions in world history'.

The current scale of Chinese manufacturing is astounding. For example, China produces:

- half of the world's microwaves
- two-thirds of all shoes
- two-thirds of the world's photocopyers
- half of the world's clothes
- one-third of all mobile phones.

Much of this production is for export all over the world. The value of China's international trade has risen from \$1.13 billion in 1950 to \$2,561.6 billion in 2008. The growth of China's economy has been carefully directed from Beijing, with a very high level of government management that does not occur in free market economies

such as the USA, Japan, Germany and the UK.

Beijing itself is a large and growing economic entity. Figure 5 shows that Beijing's GDP was estimated to have reached \$146 billion in 2008, or \$8000 per capita, which is significantly above the Chinese average. This is a considerable increase on previous years. The Beijing Olympics was a major factor in boosting the economy in 2008 and with the global financial crisis coming into play in late 2008 and 2009, it may take a few years to get back to this high level of GDP.

In its own right Beijing is an important industrial centre, second only to Shanghai in China. It has highly developed machinery, textile and petrochemical sectors. Agriculture also plays a considerable role in Beijing's economy, with a large farming belt on the city's edge. However, the economy of Beijing has undergone a rapid transformation in recent decades, from one dominated by industry to a major service centre. Service industries now account for about 73% of Beijing's economic activity.

The service sector has grown enormously with government agencies a major factor in this process. The People's Bank of China, the major institution in China's centralised banking system, has its head office in Beijing. The city is also the location of a variety of specialised banks, including the Industrial and Commercial Bank of China and the Agricultural Bank of China. Other financial institutions in the city include major insurance companies, credit cooperatives, securities firms, and investment companies. Wholesale and retail commerce and tourism also play a major role in the city's economy. In terms of the latter, the range of international hotels has expanded significantly. Tourism is a rapidly expanding aspect of Beijing's economy.

The Beijing Tourism Administration estimates that the total number of tourists visiting Beijing reached 85.4 million in the first half of 2009, an increase of 20.8% on the previous year. Total tourism revenue reached 127.1 billion yuan, an increase of 14.6% for the same period. It is estimated that 154 million domestic and overseas tourists will visit Beijing in 2009 as a whole, generating a total revenue of 236 billion yuan.

Although a huge amount of construction took place prior to the Olympics, there was always going to be much more to follow. Ten major infrastructure projects started in April 2009. This investment is mostly focused on southwestern downtown Beijing and projects for ecological conservation. The Puhuangyu expressway is expected to boost the development of a comprehensive business district in southwestern downtown. The district will cover nearly 15 hectares along Subway Line 5.

## High technology

Beijing has become an increasingly important centre for high technology. Beijing initiated its development of high-tech industries in 1988 with the establishment of the Beijing New Technologies Development Experimental Zone. The city's software exports registered rapid compound growth in 2006, accounting for 33% of the national total. The other two main centres in China for high technology are Shanghai and Shenzhen.

High technology has developed rapidly in Beijing due to the city's high-level human and technology resources, including the prestigious Peking and Tsinghua Universities and the Zhongguancun Science Park. Zhongguancun is the Beijing district with the greatest concentration of universities and research institutes in China. It houses China's most prominent science park, where many of the most dynamic indigenous companies were born. It is often described as China's 'Silicon Valley'. This district has been at the heart of a dual strategy: import substitution and the upgrading of exports. Import substitution is the process of developing domestic industries to reduce reliance on foreign imports. This has a number of benefits for the economy, particularly in terms of the balance of trade and creating employment.

## Universities

China considers educational development to be crucial to the country's growing global importance. Beijing has over 70 establishments of higher education, including Peking University, the country's most prestigious university. Other major universities include:

- University of Science and Technology, Beijing
- University of International Business and Economics
- The China University of Political Science and Law
- Tsinghua University
- Beijing Language and Culture University.

Not only are more students entering higher education in Beijing and China in general, but Beijing is attracting a growing number of foreign students with the improving international reputation of its universities. Education has also expanded at lower levels with, for example, the opening of a number of international schools in recent decades.

## Transport

Beijing is China's main international air transport hub, with many direct flights from all over the world. Beijing Capital Airport, 29km northeast of the city centre, underwent substantial improvements prior to the Olympic Games. The focal point of this major upgrade was the opening of a third terminal, designed by Norman Foster, in 2008. The airport has rapidly ascended the world rankings. In 2001, Beijing Capital Airport served 24 million passengers. By 2008 this had increased to 56 million, making it the 8th busiest airport in the world on this criterion. The amount of freight handled by the airport has also risen considerably. Beijing is the main hub for China's national flagship carrier, Air China which flies to around 120 passenger destinations.

Beijing is connected to all parts of China by road links which have been much improved over the last 20 years. Nine expressways connect with Beijing, as do 11 China National Highways. Within Beijing itself, an elaborate network of five ring roads has developed, although they are rectangular in shape.

## Environment

The 2008 Olympic Games brought Beijing's air pollution problems to the attention of the world. Emergency measures brought the clearest skies Beijing had seen for 10 years. The city government is now looking to the long term. From October 1, 2009, motor vehicles registered outside Beijing failing to meet exhaust emission standards, have been banned from entering the city. The Ministry for Environmental protection is insisting such vehicles now comply with the standards that the 3.7 million local vehicles already do. In addition new investment is planned for public transport and improvements to cycle ways.

In July 2009, the Beijing municipal government launched a strategy for the improved disposal of the 18,410 tons of domestic refuse generated by the city every day. These measures include: building more environmentally friendly disposal sites, improving incineration technologies, and enforcing household waste separation and recycling. The last Saturday of every month has been designated as a 'recyclable resources collecting day'. However, people in China are not yet as 'recycling aware' as populations in richer countries. Much needs to be done in terms of environmental education to improve this situation.

Air pollution is still a problem, but levels are falling. Beijing has become a leading global electric automobile research and development centre. Five hundred electric taxis will come onto Beijing's roads by the end of 2010 as part of a demonstration project. It is likely that electric buses and other public service vehicles will follow. Beijing sees the opportunity not just to improve its environment, but also to foster an expanding industrial sector.

## FOCUS QUESTIONS

1. Beijing is described as a global city. What evidence is there in this Geofile for this?

2. In what ways does Beijing contribute to China's economy and its overall position in the world economy?